

# FAIRVIEW

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11/18/2022

Scott V. Van Dyke  
1515 South Blvd,  
Houston, TX, 77006

<b>Nels Stemm</b> <i>Principal</i> (310) 804-3922 Nels@fpinvest.com
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Dear Mr. Van Dyke,

This Letter of Intent ("LOI") serves as a loan proposal made by Fairview Investment Fund VI, LP a Delaware Limited Partnership ("Fairview"). This LOI does not create a binding agreement between Fairview and the Borrower. Further documentation and due diligence are required to formalize a commitment to lend.

<b>Approximate Loan Amount</b>	<b>\$2,760,000</b>
<b>Borrower</b>	Scott V. Van Dyke
<b>Collateral</b>	First lien on 1515 South Blvd, Houston, TX, 77006, with no junior liens and as approved by bankruptcy court.
<b>Loan Purpose</b>	A business loan for refinance of existing debt related to the business distress and bankruptcy of borrower.
<b>Term</b>	18 Months
<b>Interest Rate</b>	12% to be paid current. Interest to be calculated on an actual/360 basis.
<b>Payments</b>	Borrower shall make monthly interest only payments.
<b>Origination Fee</b>	4.5% of the Loan Amount paid at closing from loan proceeds.
<b>Prepayment</b>	12 months' yield maintenance on the original Loan Amount.
<b>Target Closing Date</b>	On or before 12/15/2022
<b>Extension</b>	Borrower shall be entitled to two (2) 6-month extension options each for a 1.00% fee (based on the loan amount) assuming no event of default exists.
<b>Loan Deposit</b>	\$10,000 to be applied to expenses associated with drafting closing documentation and due diligence. In the event the transaction does not close, lender will apply these funds to cover third party expenses and remainder to be refunded to borrower. In the event these funds are insufficient to complete the formation of the loan the borrower must provide additional funds to cover expenses.
<b>Past Due Property Taxes</b>	The borrower currently owes unpaid property taxes, interest and penalties, for the tax years of 2019, 2020, 2021 and 2022. As long as the Borrower maintains his 65-year-old or older homestead deferral tax status as provided under Tex. Tax Code, § 33.06(a), Fairview will not require Borrower to pay any back or future property taxes, interest and penalties.
<b>Break-Up</b>	The Loan Deposit shall remain on deposit with Lender, without interest payable to Borrower and not in a trust, as security for Borrowers performance of its obligations under this Term Sheet. If the Loan closes, Lender shall apply the Deposit to Borrowers contributions at closing.

## F A I R V I E W

If for good faith business reason (e.g. failure to obtain adequate title, survey, Property Inspection Report or ESA Report), other than Lenders willful default (including market based decisions unrelated to Borrower or the Property) hereunder in making the Loan, Lender shall have the absolute right, in its sole discretion and without notice to borrower, to retain Deposit for payment of all out-of-pocket costs including, but not limited to, Lender's legal fees.

Additionally, in the event Borrower elects not to close the Loan with Lender, and/or decides to pursue the loan with another capital source, Lender shall be entitled to retain the full amount of the Loan Deposit and shall be reimbursed for any due diligence costs in excess of the Loan Deposit amount.

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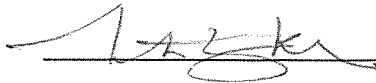
This proposal is contingent upon the following conditions prior to closing, subject to the Lender's receipt and approval, in its sole and absolute discretion:

1. Subject to final Fairview due diligence and legal review including, but not limited to,
  - Loan Documents
  - Title Review
  - Site Visit
2. Organizational documents for Borrower, and any entities comprising Borrower, including all amendments thereto. Associated entity Good Standing Certificate / Certificate of Existence.
3. Loan documentation in form and content acceptable to Lender in its sole discretion.
4. Name and contact information of insurance provider.
5. Permission to order and review a Transunion credit report on any borrowers or guarantors.

This proposal and the terms herein will expire at 5PM PST three (3) business days after issuance unless it is executed and returned, and the Loan Deposit has been received. Please see last page for wire and account instructions.


Borrower: Scott Van Dyke

Date: 11/18/2022



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Lender: Fairview Investment Fund VI Date: 11/18/2022

  
Arik Sierman (Nov 18, 2022 12:24 AM)

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**ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR FOREBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE**

## FAIRVIEW

UNDER CALIFORNIA OR WASHINGTON LAW.

ANY AGREEMENT OF THE LENDER TO EXTEND CREDIT TO THE BORROWER IS SUBJECT TO FULL AND COMPLETE SATISFACTION OF LENDER'S DUE DILIGENCE IN LENDER'S SOLE AND ABSOLUTE DISCRETION, AS WELL AS THE NEGOTIATION AND EXECUTION OF DEFINITIVE DOCUMENTATION REASONABLY SATISFACTORY TO THE LENDER. Except for obligations of Borrower hereunder expressly stated herein as being binding on Borrower (which shall be so binding), this Term Sheet is for discussion purposes only and not binding on any party hereto, and merely indicates Lender's willingness to proceed with its evaluation of the proposed Loan. No commitment may be made orally by any employee, officer, agent or representative of the Lender or its affiliates and none should be implied based on any statements by, or conduct of, such persons. Any commitment, if issued, may provide terms that substantially vary from those in this Term Sheet and shall, in addition, be subject to all conditions and requirements specified therein.

## **F A I R V I E W**

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**Beneficiary Bank:**

**Northwest Bank**

Routing Number: 123206956

1750 W. Front St. Ste. 150

Boise ID 83702-5191

(208) 332-0700

**Beneficiary Name: Fairview Investment Fund VI, LP**

**BNF Address: 707 E Harrison St, SEATTLE WA 98102**

**BNF Account Number: 100081085**